

Audit's[®] NEWS ANALYSIS OF SECURITIES OF REAL ESTATE INVESTMENT TRUSTS

Realty Trust Review

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INVESTMENT OUTLOOK: POSSIBLE CHASE TRUST BANKRUPTCY PUNISHES BOND INVESTORS

Chase Manhattan Mtg. & Rlty. bonds fell sharply April 26 when the New York and Pacific Exchanges suspended trading after CMR said it won't have funds to meet May 1 (Monday) maturity of \$36.7 million of 7-7/8% senior notes.

This is consistent with our April 14 comment: Money isn't in hand but "we think the debt will be repaid — if not on May 1, certainly within a brief grace period."

Since then snags have developed in one major real estate deal the trust sought to close by May 1. We cautioned that "a real estate deal is never done until it's signed."

Management says it's "not optimistic" about this deal's imminent closing.

Virtually all REIT bonds dipped on the news. Suddenly the game of "chicken" between bond traders and REIT managements and their banks has turned ominous.

Many traders went into bonds of bank-sponsored trusts figuring that sponsors would come to their aid when push came to shove.

The turn of events at Chase makes that assumption very suspect.

Meantime, REIT shares moved up 7.8% in the past month, about even with the big 7½% jump in the Dow-Jones Industrials (table, p. 3).

Earnings of many dividend-paying and recovering trusts are benefitting from the real estate recovery (see p. 7-8). Meantime the risk in bonds is rising.

Will sponsor Chase Manhattan Corp. and its money center bank rescue CMR?

Rumors float around Wall Street that bank officials have definitely decided not to help. But trust officials say they're still negotiating.

It's hard to see how the bank could take a bigger black eye than it already has.

KEEPING CURRENT WITH OUR SISTER SERVICES

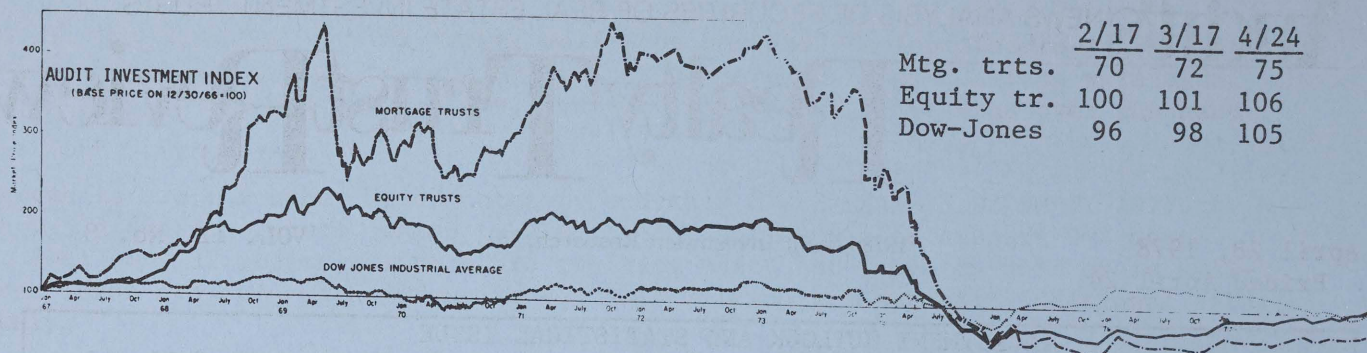
REAL ESTATE DISCLOSURE DIGEST April 17 contains our annual survey of bank problem loans to REITs and on real estate. Single copies: \$6 prepaid.

KENNETH D. CAMPBELL, EDITOR AND PUBLISHER, BERNARD SOLAS, C.F.A., DIRECTOR OF RESEARCH / AUDIT INVESTMENT RESEARCH, INC., 230 PARK AVENUE, NEW YORK 10017

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April 28, 1978



In other words, with bankruptcy talk alive, would bankruptcy hurt the bank any more?

Note too that some bank holding companies -- Hartford National, Barnett Banks -- have already effectively cut their offspring adrift. With little furor, too.

Our reading is that the Chase Bank, having let events deteriorate this far, will let the May 1 maturity pass and then will play it by ear. If there's public outcry or impact on the bank, then help will come. If not, anything could happen.

At this writing the situation is very fluid. New buying here might prove extremely rewarding but could also be extremely gutsy speculation. If you bought either subordinated issue (the 11-5/8s or 7½s) at higher prices we'd still hold as a speculation that the Chase name will be honored.

The Tri-South Mtg. offer to exchange a new 10% senior note convertible at \$2.50 expires initially hours after this issue goes to press. Hence we cannot report results.

We hear that more of the short bonds (7-3/4s of 1980) have been tendered but that the longer bonds (7s of 1992) are slow. Traders seem to be focusing on the 55% minimum acceptance while the trust is looking hard for 75% -- especially for the 7-3/4s.

Our feel is that the tender will be extended. But since TSI intends picking up whatever bonds are on hand Apr. 28 and issuing the new 10s, a trading market will develop within days.

TENDER/EXCHANGE OFFERS: NJB PRIME TRIES AGAIN; C&S REALTY AND BAY COLONY PROP. NEAR

NJB Prime Investors is trying -- for the third time -- to make peace with its subordinated debenture holders.

Two previous cash tender offers brought in about 78% of NJB's initial \$29.1 million of debt in two issues, 6-3/4% convertibles due 1991 and 7% subordinated debentures due March 31, 1980. Both issues have been in default since fiscal 1975.

Those holders turned in their bonds at 20% and 22% of par. Now the trust is offering this triple option to remaining holders of both issues:

--\$20 cash per \$1,000 principal; or \$15 cash plus \$35 principal amount of a new 6% senior subordinated convertible due 1987; or \$15 cash and 20 shares of beneficial interest.

The trust says 90% of holders must accept one of these options or it may be forced into a bankruptcy proceeding. Banks had called their \$38 million loans to the trust in July 1977 and a bankruptcy petition was held in abeyance pending the offer's outcome.

Meantime NJB has agreed to a master swap of most assets to banks that would eliminate all bank debt. Closing is contingent upon a successful tender.

Acceptance of one option is suggested since nobody wins in bankruptcy court.

Citizens & Southern Realty finally settled its long-standing run-in with the S.E.C. It agreed to hire special auditors to review its loan loss reserves, to have a majority of independent trustees, and to make full disclosure of transactions in which its sponsoring bank, Atlanta's largest, had an interest.

Previously the trust restated its loss reserve, widening the capital deficit

(Continued on page 7)

DIVIDEND TRENDS: INCREASES PREDOMINATED IN APRIL; EQUITABLE HAD REDUCTION

Four trusts increased their quarterly payouts in April and New Plan boosted its monthly (not included in totals). The pattern was essentially one of recovery from slightly troubled situations as their non-earning assets diminish or improve. Such was the case with Lomas & Nettleton, Mortgage Growth and Sutro. For example, Sutro reported non-earning assets down to 12% from 18% a year ago. Equitable Life & Mortgage became the second to cut payout this year with both caused by higher interest rates narrowing spreads on leveraged borrowings not fully offset by floating portfolios.

	Up	Same	Down	Total	%Change
April	4	9	1	14	+ 1%
Year	21	41	2	64	--
-----From previous year-----					
April	9	3	2	14	+16%
Year	37	24	3	64	--

Trust	Record date	Dividend/share-- Latest	Previous	Net change-- Amt.	Percent	Year Ago	% Change
Connecticut Gen. M&R	4/28	\$0.40	\$0.40	\$ --	NC	\$0.40	NC
Consol. Capital Rlty.	4/17	0.17M	0.17	--	NC	0.1684	+1
Delaware Valley R&M	4/17	0.115M	0.115	--	NC	0.115	NC
Equitable Lf. M&R	4/14	0.50	0.55	-.05	-9	0.55	-9
Hotel Investors	4/17	0.42	0.42	--	NC	0.30	+40
JMB Realty	4/14	0.45	0.40	+.05	+13	0.40	+13
Lomas & Nettleton Mtg.	5/5	0.43	0.42	+.01	+2	0.29	+48
Miller (Henry S) Rlty.	4/6	0.20	0.20	--	NC	0.15	+33
Mortgage Growth	4/3	0.14	0.12	+.02	+17	0.12	+17
New Plan Realty	4/14	0.08M	0.08	--	NC	0.075	+7
New Plan Realty	5/15	0.085M	0.08	+.005	+6	0.08	+6
Northwstrn Mtl. Lf. M&R	4/21	0.25	0.25	--	NC	0.25	NC
PNB Mtg. & Realty	5/1	0.20	0.20	--	NC	0.12	+66
REIT of America	4/14	0.30	0.30	--	NC	0.30	NC
Riviere Realty	4/3	0.125	0.125	--	NC	0.25	-50
San Francisco RE	5/5	0.30	0.30	--	NC	0.15	+100
Sutro Mtg.	5/8	0.225	0.20	+.025	+13	0.10	+125
United Realty	4/13	0.20	0.20	--	NC	0.18	+11
University RE	4/21	0.09M	0.09	--	NC	0.05	+80
TOTALS (14 Trusts)b		\$4.14	\$4.085	\$+.055	+1	\$3.56	+16

b-Excludes monthly dividends. NC-No change. M-Monthly.
Trusts with dividend reduced from previous quarter underlined.

COMPARATIVE TRUST GROUP AVERAGE 04/24/78

GROUP	QUAL	NON-QUAL	TOTAL	SHARE (000)	BOOK VALUE	ANN DIV*	EARN ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
PROPERTY-LARGE	21	0	21	2156	11.45	1.01	1.18	13.60	6.4	6.8	11.5	7.4	18.8	10.3	683.3
-SMALL	7	0	7	893	12.53	1.25	1.45	12.43	3.6	5.6	8.6	10.1	-0.8	11.5	72.8
-SUBOR LAND	3	0	3	1862	15.83	1.08	1.18	12.09	6.0	2.1	10.2	8.9	-23.6	7.5	57.1
AVERAGE 3 PROP GROUPS			31	1842	12.11	1.07	1.23	13.18	5.8	6.1	10.6	8.1	8.8	10.2	813.2
PROP & MTG COMBINATION	15	9	24	2136	9.77	0.32	0.51	7.52	8.8	12.6	14.7	4.3	-23.1	5.2	446.5
SHORT-TERM MTG	11	0	11	1756	14.76	0.54	0.54	9.41	12.2	13.2	17.4	5.7	-36.3	3.7	203.6
LONG-TERM MTG/PROP	13	0	13	3440	14.80	0.98	0.93	11.40	2.7	-2.8	12.2	8.6	-23.0	6.3	499.0
MTG/FCLSD PROP-MISC	10	7	17	2536	3.86	0.00	0.95	2.97	12.9	15.8	3.1	0.0	-22.9	24.8	120.2
-BANK	0	18	18	2040	2.13	0.00	0.33	2.88	20.0	28.1	8.8	0.0	35.4	15.3	89.7
-INDEPEND	0	28	28	3385	0.59	0.00	0.53	1.67	12.9	21.1	3.1	0.0	183.1	90.4	131.4
AVERAGE 3 MTG/FCLSD PROP			63	2771	1.91	0.00	0.58	2.36	15.3	21.5	4.0	0.0	23.9	30.7	341.3
OVERALL AVERAGE	80	62	142	2444	7.64	0.42	0.74	6.97	7.8	8.6	9.4	6.0	-8.8	9.7	2303.6

DOW-JONES INDUSTRIAL AVERAGE

89.10 826.06 +7.5

-0.5

9.3

5.7

*Latest quarter annualized

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD
ATICO MTG-C#	NY	6.75	'82f	16.9	63.00	8	10
BT MTG INV-C	OC	5.75	'82	20.0	67.00	-1	8
BARNETT MTG-C	OC	6.75	'91	17.3	51.00	10	DEF
BARNETT MTG-CD	OC	8.50	'98	30.0	70.00	25	DEF
BARNETT-WIN-CE	OC	8.25	'98	30.0	61.00	7	DEF
BAY COLONY PROP-C	NY	8.50	'81f	23.0	83.00	1	10
CHASE MAN TR-A	NY	7.88	'78	36.7	98.00	0	8
CHASE MAN TR-C	NY	7.50	'83	41.2	70.25	-3	10
CITIZNSO RLTY-C	OC	6.75	'78	30.0	50.00	22	DEF
CITIZNS MTG INV-B	OC	8.50	'80	20.0	41.00	13	DEF
COLWELL MTG-B	OC	8.20	'80	25.0	53.00	17	VJ
CONT ILL RLTY-B	NY	7.63	'79	25.0	90.50	0	8
COUSINS M&E-C	NY	6.50	'82f	30.0	59.00	4	11
FIRST MTG INV-A	OC	6.75	'82	12.6	40.00	0	16
FIRST MTG INV-A	OC	8.25	'77	0.4	65.00	1	12
FIRST NEWPORT-B	OC	8.75	'79	7.0	75.00	11	11
FIRST VIRGINIA-B	OC	8-12	'80	5.0	75.00	0	10
FIRST VIRGINIA M	OC	4.00	'80	15.0	66.00	0	6
GMR PROPERTIES-C	AS	7.70	'80	20.0	84.00	0	9
GREAT AMER MGMT-B	OC	7.55	'79	25.0	23.00	43	VJ
GREAT AMER MGMT-C	OC	8.75	'83	25.0	12.00	9	VJ
GUARDIAN MTG-B	OC	7.50	'79	25.0	34.00	25	VJ
GUARDIAN MTG-C#	OC	6.75	'86	8.6	23.00	35	VJ
IDS REALTY-H	OC	----	----	169.8	52.00	-13	NC
INSTITNL INV-B	NY	7.88	'80	20.0	79.50	-2	9

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD
JUSTICE MTG-B	OC	7.75	'79	9.6	41.00	2	VJ
LMI INVESTORS-C	NY	6.75	'82	9.2	77.00	3	8
MIDLAND MTG-B	NY	8.00	'80	17.1	63.88	-1	12
MTG INV WASH-B	OC	9.25G	'80	15.0	70.00	16	13
NJB PRIME INV-C	OC	7.00	'80	12.9	33.00	32	DEF
NATIONWIDE RE-C	OC	7.00	'81	6.5	71.00	0	9
NO AMER MTG-B	OC	8.50	'87	12.1	80.50	-1	10
NO AMER MTG-C	NY	5.50	'79	16.3	92.00	-1	6
SAUL (B.F.)-C	NY	8.50	'80	25.0	94.50	1	9
SECURITY MTG-#	AS	7.25	'82	50.0	89.00	0	8
SECURITY MTG-C#	OC	6.00	'82	17.1	67.50	0	8
STATE MUT INV-B	NY	9.00	'80f	6.2	97.00	5	9
TRI-SOUTH MTG-B	NY	7.75	'80	25.0	67.00	0	DEF

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-CONVERTIBLE AT \$39 TILL 9/1/78 WHEN PRICE MAY BE ADJUSTED. E-CONVERTIBLE AT \$31 TILL 12/1/78 WHEN PRICE WILL BE ADJUSTED. F-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE RATE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-FIVE SERIES, A-E: 6-7/8, 7-1/8, 7-3/8, TWO VARIABLE; 1987-94. VJ-BANKRUPTCY REORGANIZATION.

X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT.
#-MAY BE USED AT PAR TO EXERCISE WARRANTS.
F-TRADES FLAT, WITHOUT ACCRUED INTEREST.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	-EARNINGS-- MON	ANN*	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MKT VA (MILS)
PROPERTY TRUSTS-OVER \$25M ASSETS														
AMER EQUITY IT#	O-AEQTS	2497	6.36	0.55	SEP	0.71	7.25	20.8	26.1	10.2	7.6	14.0	11.2	18.1
API TRUST	O-APIIS	1012	8.00	0.00	DEC	0.00	3.88	10.9	-8.7	0.0	0.0	-51.5	0.0	3.9
CHGNLTH RLTY #	O-CRTYC	1180	6.52	0.80	NOV	0.00	9.75	5.4	8.3	0.0	8.2	49.5	0.0	11.5
CONSOL CAP RLY#	O-CCPLS	1989	19.63	2.04	AUG	2.40	29.00 X	4.2	7.4	12.1	7.0	47.7	12.2	57.7
CONT ILL PROP#	N-CIE	4808	20.18	1.28	JAN	1.32	15.38 X	3.0	-0.8	11.7	8.3	-23.8	6.5	73.9
DENVER REIA#	O-DENV5	1091	8.01	0.72	SEP	1.28	10.00	3.8	19.3	7.8	7.2	24.8	16.0	10.9
FEDERAL REALTY	A-FRT	1357	9.59	1.36	DEC	1.72	16.75	4.7	3.1	9.7	8.1	74.7	17.9	22.7
FIRST FIDELITY#	O-FFITS	866	10.54	0.40	AUG	0.60	9.13	7.4	62.2	15.2	4.4	-13.4	5.7	7.9
FIRST UNION #	N-FUR	4263	8.46	1.04	JAN	0.97	11.75 X	2.2	-8.8	12.1	8.9	38.9	11.5	50.1
FLORIDA GULF#	O-FGLFS	995	14.89	1.28	JAN	1.52	14.75	1.7	5.4	9.7	8.7	-0.9	10.2	14.7
GENERAL GROWTH#	N-GGP	6202	6.34	1.48	DEC	1.72	26.13 X	16.5	8.3	15.2	5.7	312.1	27.1	162.1
GOULD INVESTOR#	A-GTR	1174	6.84	0.80	DEC	1.28	8.25	4.7	17.9	6.4	9.7	20.6	18.7	9.7
GREIT REALTY #	A-GRT	998	11.23	0.40	OCT	0.99	7.00 X	5.2	9.7	7.1	5.7	-37.7	8.8	7.0
HUBBARD REI	N-HRE	4004	22.61	1.32	JAN	1.52	17.63	0.7	-0.7	11.6	7.5	-22.0	6.7	70.6
NEW PLAN RLTY#	O-NPLNS	1690	4.21	1.02	JAN	1.13	12.50 X	9.4	2.0	11.1	8.2	196.9	26.8	21.1
PENN REIT #	A-PEI	1516	12.11	1.25	FEB	1.44	15.25	2.5	7.0	10.6	8.2	25.9	11.9	23.1
PRUDENT REIT#	A-PRU	3217	2.88	0.24	NOV	0.00	3.75	25.0	42.6	0.0	6.4	30.2	0.0	12.1
REIT OF AMERICA	A-REI	1633	21.59	1.20	FEB	1.48	16.00 X	7.7	10.3	10.8	7.5	-25.9	6.9	26.1
SAN FRAN RE #	A-SFI	1369	20.13	1.20	MAR	1.12	15.38	-5.4	1.7	13.7	7.8	-23.6	5.6	21.1
UNIVERSITY REIT	O-URETS	1907	8.71	1.08	SEP	1.33	11.00 X	0.8	4.8	8.3	9.8	26.3	15.3	21.0
WASH REIT #	A-WRE	1518	11.58	1.80	DEC	2.20	25.00	4.7	3.6	11.4	7.2	115.9	19.0	38.0
GROUP AVERAGE		2156	11.45	1.01		1.18	13.60	6.4	6.8	11.5	7.4	18.8	10.3	683.3
PROPERTY TRUSTS-SPECIALITY PROPS & UNDER \$25M ASSETS														
GENERAL RE #	O-GRELS	557	7.02	1.12	DEC	1.44	7.00	-6.7	16.7	4.9	16.0	-0.3	20.5	3.9
HOTEL INVESTOR#	A-HOT	1555	17.53	1.68	FEB	1.76	18.50 X	0.9	8.8	10.5	9.1	5.5	10.0	28.8
PITTS & W VA RA	A-PW	1510	22.46	0.56	DEC	0.92	6.75 X	2.1	-14.3	7.3	8.3	-69.9	4.1	10.2
RE INV PROPS	O-REIPS	480	15.16	2.12	DEC	1.84	20.50 X	7.8	2.5	11.1	10.3	35.2	12.1	9.8
REIT OF CALIF	O-RICAL	550	8.94	1.20	DEC	1.68	14.00	12.0	12.0	8.3	8.6	56.6	18.8	7.7
TERRYDALE R#	O-TRYLS	336	13.47	1.48	DEC	1.88	14.25	-1.7	5.6	7.6	10.4	5.8	14.0	4.8
US EQUITY & MTG	O-USEM	1265	3.11	0.60	JAN	0.60	6.00	0.0	9.1	10.0	10.0	92.9	19.3	7.6
GROUP AVERAGE		893	12.53	1.25		1.45	12.43	3.6	5.6	8.6	10.1	-0.8	11.5	72.8
PROPERTY TRUSTS-SUBOR LAND LEASEBACK														
ICM REALTY	A-ICM	3011	14.61	0.24	FEB	0.51	8.38	11.7	19.7	16.4	2.9	-42.6	3.5	25.2
JMB REALTY	O-JMBRS	510	19.19	1.80	NOV	1.84	16.50 X	3.5	0.0	9.0	10.9	-14.0	9.6	8.4
PROPERTY CAPITL	A-PCL	2065	13.68	1.20	JAN	1.20	11.38	1.2	-5.2	9.5	10.5	-16.8	8.8	23.5
GROUP AVERAGE		1862	15.83	1.08		1.18	12.09	6.0	2.1	10.2	8.9	-23.6	7.5	57.1
PROPERTY & MTG COMBINATION														
BANKAMER RLTY	O-BRLTS	3547	16.59	0.60	JAN	0.72	10.88	1.2	3.6	15.1	5.5	-34.4	4.3	38.6
BRT REALTY	A-BRT	1400	3.58	0.00	NOV	0.00	1.13	50.7	63.8	0.0	0.0	-68.4	0.0	1.6
CONN GEN M&R#	N-CGM	5718	19.18	1.60	DEC	1.76	19.13 X	-4.2	-8.9	10.9	8.4	-0.3	9.2	109.4
FLATLEY REALTY	O-FLTLS	1000	6.95	0.00	DEC	0.16	4.25	54.5	30.8	26.6	0.0	-38.8	2.3	4.3
INDIANA M&R #	O-INDMS	1154	8.40	0.00	DEC	0.40	4.75	46.2	35.7	11.9	0.0	-43.5	4.8	5.5
INVESTORS RL#	A-IRT	1579	10.40	0.50	FEB	0.76	7.75	-7.5	3.3	10.2	6.5	-25.5	7.3	12.2
MILLER HENRY S	O-HSMTS	560	16.83	0.80	FEB	0.68	12.00 X	22.0	20.0	17.6	6.7	-28.7	4.0	6.7
MORTGAGE GROWTH	A-MTG	2627	10.67	0.56	FEB	0.40	7.50 X	10.8	30.4	18.8	7.5	-29.7	3.7	19.7
PROP TR AMER#	O-PTRAS	2338	7.36	0.28	DEC	0.32	5.50	10.0	7.2	17.2	5.1	-25.3	4.3	12.9
REALTY INCOME	A-RIT	1566	10.96	1.40	JAN	0.00	12.25	0.0	-4.9	0.0	11.4	11.8	0.0	19.2
RIVIERE RLTY #	O-RVIV6	783	8.50	0.50	DEC	0.96	5.50 X	2.3	0.0	5.7	9.1	-35.3	11.3	4.3
SAUL (BF) REIT	N-BFS	5850	5.44	0.00	DEC	0.00	7.00	21.7	64.7	0.0	0.0	28.7	0.0	41.0
US BANCORP #	A-UBT	840	16.51	0.00	FEB	1.08	11.75	5.6	17.5	10.9	0.0	-28.8	6.5	9.9
VIRGINIA REI#	O-VARES	1251	10.36	0.40	DEC	1.00	10.25	28.1	32.3	10.3	3.9	-1.1	9.7	12.8
WELLS FARGO M&E	N-WFM	3911	17.37	1.20	MAR	1.20	13.00	-1.0	-1.9	10.8	9.2	-25.2	6.9	50.8
GROUP AVERAGE		2275	11.27	0.52		0.63	8.84	8.6	9.7	14.1	5.9	-21.6	5.6	348.9
SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR														
BAIRD & WARNER	O-BAIDS	1043	16.14	0.14	JAN	0.00	7.50	20.0	25.0	0.0	1.9	-53.5	0.0	7.8
CENTRAL MTG	O-CMRTS	775	11.99	0.00	DEC	0.04	5.38	22.8	38.7	134.5	0.0	-55.1	0.3	4.2
FIRST CONTRL	O-FCRES	2106	10.28	0.92	FEB	0.92	8.38 X	2.7	-1.4	9.1	11.0	-18.5	8.9	17.6
FRASER MTG	O-FRASS	1038	16.39	1.04	FEB	1.04	12.50 X	4.2	11.1	12.0	8.3	-23.7	6.3	13.0
HANOVER SQ RLTY	A-HSO	946	11.02	0.00	FEB	0.00	7.50	27.6	42.9	0.0	0.0	-31.9	0.0	7.1
LOHAS & NETLIN	N-LOM	3700	27.76	1.72	MAR	1.72	20.00	1.3	0.6	11.6	8.6	-28.0	6.2	74.0
M&T MORTGAGE	O-MTMIS	1482	10.25	1.04	FEB	1.04	10.00 X	2.6	0.0	9.6	10.4	-2.4	10.1	14.8
MTG TRUST AMER	N-MT	3860	12.29	0.00	FEB	0.18	6.63	2.0	10.5	36.8	0.0	-46.1	1.5	25.6
NATIONWIDE RE	O-NRELS	1047	24.09	0.16	DEC	0.16	12.00	54.8	50.0	75.0	1.3	-50.2	0.7	12.6
SUTRO MTG INV	N-SUT	2322	15.34	0.90	MAR	0.80	10.13	12.6	8.0	12.7	8.9	-34.0	5.2	23.5
WESTERN MTG	O-WMTGS	1002	6.82	0.00	FEB	0.04	3.44	1.8	5.8	86.0	0.0	-49.6	0.6	3.4
GROUP AVERAGE		1756	14.76	0.54		0.54	9.41	12.2	13.2	17.4	5.7	-36.3	3.7	203.6
LONG-TERM MTGS & PROPERTIES														
BT MTG INVSTRS	N-BTM	2116	-3.18	0.00	DEC	0.00	2.25	0.0	0.0	0.0	0.0	-0.0	-0.0	4.8
DELAWARE VLY*	O-DVRMS	904	10.01	1.38	SEP	1.34	12.50 X	-0.2	-7.4	9.3	11.0	24.9	13.4	11.3
EQUIT LF MTG	N-EQ	5637	23.52	2.00	JAN	1.92	21.50 X	-7.9	-17.7	11.2	9.3	-8.6	8.2	121.2
HOSPITAL MTG	A-HMG	1178	22.72	0.60	NOV	0.52	11.13 X	15.7	21.9	21.4	5.4	-51.0	2.3	13.1
MASSMUTUAL MTG	N-MML	4670	19.53	1.28	JAN	1.32	15.00	1.7	-2.5	11.4	8.5	-23.2	6.8	70.1
MONY MTG INV	N-MYM	8924	9.72	0.92	FEB	0.64	9.25 X	2.5	-7.5	14.5	9.9	-4.8	6.6	82.5
NOWSTRN MUT MT	N-NML	4758	19.05	1.00	MAR	0.88	11.63 X	2.1	-5.1	13.2	8.6	-39.0	4.6	55.3
PACIFIC SO MTG	O-PSMTS	800	11.95	0.60	DEC	0.60	7.38	3.5	9.3	12.3	8.1	-38.2	5.0	5.9
PNB MTG & RL#	N-PNI	2437	18.77	0.80	DEC	1.00	10.38	-3.4	-3.4	10.4	7.7	-44.7	5.3	25.3
REALTY REFUND	N-RRF	1309	18.63	2.12	JAN	2.12	20.13	0.7	-4.1	9.5	10.5	8.1	11.4	26.4
RLTY & MTG PAC	O-RPACS	1890	18.04	1.28	FEB	0.96	13.63 X	16.3	10.1	14.2	9.4	-24.4	5.3	25.8
SECURITY MTG	A-SMO	6487	5.98	0.00	MAR	0.00	3.13	13.8	4.3	0.0	0.0	-47.7	0.0	20.3
UNITED REALTY	A-URT	3610	17.60	0.80	FEB	0.80	10.25 X	2.0	3.7	12.8	7.8	-41.8	4.5	37.0
GROUP AVERAGE		3440	14.80	0.98		0.93	11.40	2.7	-2.8	12.2	8.6	-23.0	6.3	499.0

#NET CASH FLOW, SEE PAGE 6. *GROSS CASH FLOW. -0.0 NEGATIVE BOOK VALUE. VJ-IN BANKRUPTCY REORGANIZATION. ARROWS DENOTE NEW EARNINGS OR DIVIDEND REPORTS AND DIRECTION. ZEROES INDICATE LOSS OR NO EARNINGS FOR QUARTER SHOWN. EXTRAORDINARY GAINS NOT ANNUALIZED. P-PHILADELPHIA EXCHANGE. WESTERN MTG. ALSO TRADES ON BOSTON EXCH.

AMERICAN EQUITY INV. EARNINGS AND DIVIDENDS TRAILING 12 MONTHS. US EQUITY & MTG. AND ICM REALTY DIVIDEND TRAILING 12 MONTHS. CITIZENS & SO. EARNINGS FULLY DILUTED. CONTINENTAL MTG. EARNINGS DEC. 1976. TMC MORTGAGE NAME CHANGED TO TMC INDUSTRIES; AND CHANGED FROM MTG & FORECLOSED PROPERTY-MISC SPONSOR TO MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	-EARNINGS-- MON	ANN*	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)
MTG & FORECLOSED PROPERTY-MISC SPONSOR														
AMER CENTURY MI	N-ACT	2607	5.30	0.00	MAR	0.00	3.00	20.0	-4.2	0.0	0.0	-43.4	0.0	7.8
BENEF STD MTG	N-BSM	1355	0.36	0.00	JAN	0.25	3.13	56.5	92.0	12.5	0.0	769.4	69.4	4.2
VJCOLWELL MTG	O-CLM	2030	-2.34	0.00	DEC	0.00	2.13	82.1	166.3	0.0	0.0	-0.0	-0.0	4.3
CONT ILL RLTY	N-CIR	2797	2.09	0.00	DEC	0.66	3.00	4.2	-7.7	4.5	0.0	43.5	31.6	8.4
FIRST COMMERCE	O-PCRSN	1008	11.01	0.00	DEC	0.02	6.00	14.3	14.3	300.0	0.0	-45.5	0.2	6.0
HEITMAN MTG	A-BTM	3292	2.68	0.00	DEC	0.00	1.38	10.4	-8.0	0.0	0.0	-48.5	0.0	4.5
MIDLAND MTG	N-MMT	2382	0.17	0.00	DEC	0.00	1.38	10.4	10.4	0.0	0.0	711.8	0.0	3.3
MISSION INV TR	A-MIT	1812	4.68	0.00	FEB	0.15	2.50	42.9	42.9	16.7	0.0	-46.6	3.2	4.5
NORTH AMER MTG	N-NAM	4401	9.11	0.00	DEC	0.00	4.50	20.0	20.0	0.0	0.0	-50.6	0.0	19.8
WACHOVIA RLTY	N-WRI	3335	10.10	0.00	FEB	0.00	4.38	-5.4	-2.7	0.0	0.0	-56.6	0.0	14.6
GROUP AVERAGE		2502	4.32	0.00		0.11	3.14	18.8	17.1	29.1	0.0	-27.2	2.5	77.4
PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT)														
AMER REALTY	O-ARB	2222	3.48	0.00	DEC	0.58	2.50	1.6	115.5	4.3	0.0	-28.2	16.7	5.6
BAY COLONY PROP	N-BAY	2992	7.04	0.00	FEB	0.07	3.75	36.4	36.4	53.6	0.0	-46.7	1.0	11.2
C I REALTY #	N-CIX	2609	16.62	0.00	NOV	0.28	12.13	5.5	14.1	43.3	0.0	-27.0	1.7	31.6
CITIZENS GROWTH	O-CITGS	811	7.66	0.00	OCT	0.00	4.00	14.3	128.6	0.0	0.0	-47.8	0.0	3.2
FRANKLIN RLTY	A-FR	999	7.68	0.00	DEC	0.87	5.88	12.0	14.6	6.8	0.0	-23.4	11.3	5.9
SUMMIT PROP #	O-SMTS	1543	6.92	0.00	JAN	0.57	4.50	0.0	12.5	7.9	0.0	-35.0	8.2	6.9
US REALTY #	N-UTY	3434	4.09	0.00	DEC	0.44	6.50	30.0	33.2	14.8	0.0	58.9	10.8	22.3
WALTER RLTY #	O-WALJS	1035	7.20	0.00	JAN	0.00	4.63	-5.1	-11.8	0.0	0.0	-35.7	0.0	4.8
WISCONSIN REIT	O-WREIS	1514	4.89	0.00	DEC	0.00	4.00	0.0	3.1	0.0	0.0	-18.2	0.0	6.1
GROUP AVERAGE		1907	7.29	0.00		0.31	5.32	9.2	21.5	17.0	0.0	-27.0	4.3	97.6
MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT														
BUILDERS INV	O-BULDS	2929	1.16	0.00	DEC	3.03	1.25	-16.7	10.6	0.4	0.0	7.8	261.2	3.7
CAPITAL MTG	P-CMU	1675	-1.36	0.00	DEC	0.11	0.94	16.0	16.0	8.5	0.0	-0.0	-0.0	1.6
VJCONTINENTAL MTG	O-CMI	20838	-3.47	0.00	DEC	0.92	0.36	89.5	44.0	0.4	0.0	-0.0	-0.0	7.5
COUSINS M&E	N-CUZ	3854	1.17	0.00	NOV	0.00	1.63	-6.9	8.7	0.0	0.0	39.3	0.0	6.3
DIVERSIFIED MTG	N-DMG	7327	8.33	0.00	DEC	2.81	3.25	12.8	23.6	1.2	0.0	-61.0	33.7	23.8
VJDOMINION M&R	O-DMRTS	639	-10.83	0.00	NOV	0.00	0.88	76.0	252.0	0.0	0.0	-0.0	-0.0	0.6
FIRST MORTGAGE	O-FMTGS	8495	-6.45	0.00	JAN	0.00	0.94	88.0	67.9	0.0	0.0	-0.0	-0.0	8.0
FIRST NEWPORT R	O-FNRIS	2339	3.73	0.00	JAN	0.00	1.38	10.4	-4.2	0.0	0.0	-63.0	0.0	3.2
FIRST VIR REIT	O-FVM	1208	5.80	0.00	DEC	2.80	2.00	4.2	33.3	0.7	0.0	-65.5	48.3	2.4
VJGREAT AMER M&I	O-GAA	4456	-12.71	0.00	OCT	0.00	0.67	21.8	168.0	0.0	0.0	-0.0	-0.0	3.0
VJGUARDIAN MTG	P-GMI	3000	-13.48	0.00	NOV	0.00	0.88	46.7	39.7	0.0	0.0	-0.0	-0.0	2.6
HAMILTON INV	O-HAMTS	2095	5.28	0.00	DEC	0.00	2.50	42.9	33.0	0.0	0.0	-52.7	0.0	5.2
INSTITUTIONAL	N-INV	6074	4.40	0.00	OCT	0.00	2.00	14.3	-16.0	0.0	0.0	-54.5	0.0	12.1
KENTUCKY PROPTY	O-KMTGS	1100	1.68	0.00	NOV	0.06	1.75	26.8	75.0	29.2	0.0	4.2	3.6	1.9
LIFETIME COM	O-FID	6428	2.26	0.00	OCT	0.26	0.63	26.0	40.0	2.4	0.0	-72.1	11.5	4.0
LINCOLN MTG*	O-LNMGs	1155	0.73	0.00	DEC	0.26	1.88	15.3	36.2	7.2	0.0	157.5	35.6	2.2
LMI INVESTORS	N-LME	2059	7.08	0.00	DEC	3.77	3.63	7.4	3.7	1.0	0.0	-48.7	53.2	7.5
VJMETROPLEX RLTY	O-JMI	1184	0.54	0.00	JUN	0.00	0.75	0.0	33.9	0.0	0.0	38.9	0.0	0.9
MTG INV WASH	O-MINVS	2146	4.61	0.00	DEC	0.00	2.63	10.5	5.2	0.0	0.0	-43.0	0.0	5.6
NATIONAL MTG	O-NMF	3707	1.97	0.00	NOV	0.00	1.25	47.1	123.2	0.0	0.0	-36.5	0.0	4.6
NJB PRIME INV	O-NJB	1330	-5.51	0.00	NOV	0.00	1.25	25.0	303.2	0.0	0.0	-0.0	-0.0	1.7
PLAZA REALTY	O-PRISS	1114	1.34	0.00	SEP	0.00	0.94	6.8	0.0	0.0	0.0	-29.9	0.0	1.0
REPUBLIC MTG	N-RMI	2107	4.24	0.00	DEC	0.00	2.25	12.5	0.0	0.0	0.0	-46.9	0.0	4.7
TEXAS FIRST MTG	O-TFMS	1055	7.94	0.00	DEC	0.18	3.13	13.8	19.0	17.4	0.0	-60.6	2.3	3.3
TIERCO	O-TIERS	1161	6.02	0.00	DEC	0.69	1.63	30.4	8.7	2.4	0.0	-72.9	11.5	1.9
TMC INDUST	O-TMG	800	-1.69	0.00	DEC	0.00	1.38	-8.0	187.5	0.0	0.0	-0.0	-0.0	1.1
UMET TRUST	N-UAT	2109	-0.59	0.00	FEB	0.00	2.50	-4.9	-16.7	0.0	0.0	-0.0	-0.0	5.3
WESTPORT CO	O-WSPTS	2388	4.29	0.00	JAN	0.00	2.38	-4.8	5.8	0.0	0.0	-44.5	0.0	5.7
GROUP AVERAGE		3385	0.59	0.00		0.53	1.67	12.9	21.1	3.1	0.0	183.1	90.4	131.4
MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR														
AMER FLETCHER M	O-AFM	1352	-0.78	0.00	JAN	1.06	1.50	20.0	70.5	1.4	0.0	-0.0	-0.0	2.0
BARNETT MTG	O-BMT	2174	-11.26	0.00	DEC	0.00	1.25	25.0	150.0	0.0	0.0	-0.0	-0.0	2.7
BARNETT-WINSTON	O-BWITS	1663	-0.41	0.00	DEC	0.03	1.38	0.0	56.8	46.0	0.0	-0.0	-0.0	2.3
CAMERON-BROWN	N-CB	2016	7.41	0.00	DEC	0.00	3.00	9.1	14.1	0.0	0.0	-59.5	0.0	6.0
CHASE MAN MTG	N-CMR	4886	-2.93	0.00	FEB	0.00	2.00	0.0	6.4	0.0	0.0	-0.0	-0.0	9.8
CITINATL DEV	O-CITI6	600	13.04	0.00	DEC	0.00	6.75	8.0	8.0	0.0	0.0	-48.2	0.0	4.1
CITIZENS MTG	O-CZM	1421	-16.02	0.00	DEC	0.00	0.63	65.8	117.2	0.0	0.0	-0.0	-0.0	0.9
CITZNS&SO RLTY	O-CZS	3829	-2.84	0.00	DEC	0.25	1.00	85.2	58.7	4.0	0.0	-0.0	-0.0	3.8
CLEVETRUST RLTY	O-CTRIS	2525	9.82	0.00	MAR	0.73	4.88	22.0	30.1	6.7	0.0	-50.3	7.4	12.3
FIDELCO GROWTH	A-FGI	1580	3.53	0.00	FEB	0.76	3.00	33.3	33.3	3.9	0.0	-15.0	21.5	4.7
FIRST DENVER MI	O-FDENS	1621	6.39	0.00	DEC	2.56	3.00	4.2	33.3	1.2	0.0	-53.1	40.1	4.9
FIRST MEMPHIS	O-FMEMS	1156	3.71	0.00	NOV	0.01	2.75	46.3	83.3	275.0	0.0	-25.9	0.3	3.2
FIRST PENN MTG	N-PPM	2961	2.00	0.00	JAN	0.00	1.75	16.7	0.0	0.0	0.0	-12.5	0.0	5.2
FIRST WISCONSIN	O-FWMTS	1910	5.57	0.00	DEC	0.18	2.25	-5.5	12.5	12.5	0.0	-59.6	3.2	4.3
INDEPENDENCE MT	O-IMTGS	2500	-4.02	0.00	DEC	0.00	0.96	45.5	45.5	0.0	0.0	-0.0	-0.0	2.4
MARYLAND REALTY	O-MDRTS	760	8.26	0.00	FEB	0.05	5.38	59.2	53.7	107.6	0.0	-34.9	0.6	4.1
NW FINANCIAL IN	O-NFINS	1510	14.11	0.00	MAR	0.23	8.63	19.0	16.9	37.5	0.0	-38.8	1.6	13.0
TRI-SOUTH MTG	N-TSI	2260	2.71	0.00	DEC	0.00	1.75	16.7	16.7	0.0	0.0	-35.4	0.0	4.0
GROUP AVERAGE		2040	2.13	0.00		0.33	2.88	20.0	28.1	8.8	0.0	35.4	15.3	89.7
MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS														
ATICO MTG	O-ACO	2706	5.68	0.00	JUL	0.00	2.25	28.6	-14.4	0.0	0.0	-60.4	0.0	6.1
ATLANTA NATL	O-ATNAS	1273	8.81	0.00	FEB	0.00	4.88	5.4	44.4	0.0	0.0	-44.6	0.0	6.2
BARNES MTG INV	O-BARNs	1910	11.53	0.00	DEC	0.00	3.63	-3.2	32.0	0.0	0.0	-68.5	0.0	6.9
CI MTG GROUP	P-CI	4812	-2.85	0.00	JAN	0.00	0.94	-6.0	36.2	0.0	0.0	-0.0	-0.0	4.5
GMR PROP	N-GMR	2210	3.34	0.00	NOV	0.00	1.75	-12.5	-17.8	0.0	0.0	-47.6	0.0	3.9
IDS REALTY	O-IDR	2409	-11.79	0.00	OCT	5.56	2.00	33.3	19.0	0.4	0.0	-0.0	-0.0	4.8
STATE MUTUAL	N-SMU	2786	7.74	0.00	DEC	9.62	3.75	0.0	3.3	0.4	0.0	-51.6	124.3	10.4
GROUP AVERAGE		2587	3.21	0.00		2.17	2.74	4.5	13.7	1.3	0.0	-14.5	67.6	42.8

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG	CONV PARITY	STOCK PRICE
AMER CENTURY	AS	'90	7.00	21.00	65.13	10.7	0.0	13.67	3.00
AMER CENTY'B	NY	'91	6.75	28.00	65.50	10.3	0.0	18.34	3.00
AMER REALTY	OC	'84f	7.00	10.40	63.00	11.1	34.0	6.55	2.50
BAIRD&WARNER	OC	'91	6.75	21.00	68.00	9.9	0.0	14.28	7.50
BANKAMERICA	OC	'90	6.75	21.00	82.00	8.2	0.0	17.22	10.88
BENEF STD MI	AS	'91f	6.50	27.75	53.63	12.1	2.9	14.88	3.13
CAPITAL MTG	OC	'91f	6.50	33.00	52.00	12.5	10.6	17.16	0.94
CHASE MANHTN	NY	'96	6.50	55.00	53.00	12.3	-1.8	29.15	2.00
CHASE MANHTN	OC	'97	11.63	2.25	99.75	11.7	2.8	2.24	2.00
COLWELL MTG	OC	'91f	6.50	29.38	45.00	VJ	21.6	13.22	2.13
CONN GENERAL	NY	'96	6.00	32.50	75.13	8.0	2.9	24.41	19.13
CONTINTL MTG	OC	'90	6.25	19.79	21.00	VJ	40.0	4.15	0.36
EQUITBL LF M	NY	'90	6.75	26.25	83.00	8.1	-4.8	21.78	21.50
FIDELITY MI	OC	'85	7.75	21.25	15.00	51.7	0.0	3.18	0.63
FIRST PENN M	OC	'91	6.75f	26.00	49.00	DEF	2.1	12.74	1.75
FIRST UNION	NY	'91	7.00	13.00	90.00	7.8	-5.2	11.70	11.75
FRANKLIN RLY	AS	'89	7.00	10.00	78.63	8.9	0.5	7.86	5.88
FST NEWPORT	OC	'91	6.75f	27.50	47.00	14.4	0.0	12.92	1.38
GRT AMER MI	OC	'91	7.00	35.50	13.00	VJ	44.4	4.61	0.67
HANOVER SQ R	AS	'92	7.25	21.00	80.00	9.1	7.9	16.80	7.50
HEITMAN MTG	AS	'92	7.50	14.70	64.00	11.7	0.8	9.40	1.38
HOTEL INVSTR	OC	'90	7.75	21.00	90.00	8.6	2.3	18.90	18.50
HOTEL INVTRS	OC	'91	7.50	25.25	84.00	8.9	2.4	21.21	18.50
LINCOLN MTG	OC	'90	8.00	11.00	61.00	13.1	0.0	6.71	1.88
MASSMUTL MTG	NY	'90	6.75	21.00	84.25	8.0	-0.2	17.69	15.00
MASSMUTUAL M	NY	'91	6.25	33.50	78.00	8.0	0.0	26.13	15.00
MIDLAND MTG	OC	'86	7.00	16.67	49.00	14.3	-1.9	8.16	1.38
MONY MTG IN	NY	'90	7.00	11.00	85.25	8.2	3.3	9.37	9.25
MTG INV WASH	OC	'90	8.00	15.00	64.00	12.5	6.7	9.60	2.63
NJB PRIME	OC	'91	6.75	21.00	33.00	DEF	32.0	6.93	1.25
NOWSTRN MUTL	NY	'91	6.00	21.00	77.25	7.8	-0.2	16.22	11.63
RAM PACIFIC	OC	'91	6.75	21.00	77.00	8.8	0.0	16.17	13.63
REALTY INCOM	AS	'91	8.00	18.00	80.75	9.9	1.1	14.53	12.25
REPUBLIC MI	NY	'90	9.00	19.00	91.63	9.8	1.1	17.40	2.25
SAUL (BF) RL	OC	'91	6.50	23.00	66.50	9.8	0.8	15.29	7.00
SAUL(BF) REI	OC	'90	8.00	15.50	78.50	10.2	0.6	12.16	7.00
STATE MUTUAL	AS	'91	6.75	21.00	68.00	9.9	1.1	14.28	3.75
SUTRO MIT	NY	'82	6.75	20.00	85.00	7.9	0.0	17.00	10.13
SUTRO MTG	AS	'91	6.75	20.00	74.00	9.1	0.0	14.80	10.13
TRI-SOUTH MI	OC	'92	7.00f	29.50	47.75	DEF	1.6	14.08	1.75
US BANCORP	AS	'92	7.00	26.25	76.50	9.2	1.0	20.08	11.75
US REALTY IN	NY	'89	5.75	20.20	66.25	8.7	1.7	13.38	6.50
WESTPORT CO	OC	'91	6.75f	21.00	56.00	12.1	-3.3	11.76	2.38

CONVERSION PARITY IS PRICE AT WHICH THE SHARES WOULD HAVE TO SELL TO JUSTIFY THE DEBENTURE PRICE. DEF-IN DEFAULT. f-TRADES FLAT, WITHOUT ACCRUED INTEREST. VJ-IN BANKRUPTCY REORGANIZATION.

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
AMER CENTURY	A-ACTW	6/78	897	23.00	1.0	0.02	3.00	667.3	-33.2	0.0
ATICO MTG IN	O-ACOW	12/79	563	15.00	1.0	0.05	2.25	568.9	-16.6	0.0
BARNES MTG	O-BARNW	12/82	1910	20.00	1.0	0.05	3.63	452.3	0.0	0.1
BENEF STD MT	A-BSMW	7/80	554	20.00	1.0	0.25	3.13	547.0	31.6	0.1
CAPITAL MTG	O-CMORW	11/79	471	17.63	1.0	0.03	0.94	1778.7	0.0	0.0
CITIZNS&S-B	O-CZS5	4/83	258	2.00	#.#	4.50	1.00	109.0	125.0	1.2
FLATLEY RLTY	O-FLTLW	5/78	1000	10.00	1.0	0.13	4.25	138.4	-47.9	0.1
JMB REALTY	O-JMBRW	8/82	510	20.00	1.0	1.13	16.50	28.1	79.4	0.6
M&T MTG INV	O-MTMIZ	8/80	747	13.00	1.0	0.25	10.00	32.5	0.0	0.2
MTG INV WASH	O-MINWV	3/80	931	15.00	1.0	0.06	2.63	472.6	-53.7	0.1
NATIONWID RE	O-NRELW	1/81	652	32.00	1.0	0.02	12.00	166.8	-33.2	0.0
NORTH AM MTG	A-NAMW	3/79	710	31.13	1.0	0.06	4.50	593.1	0.0	0.0
REALTY REFUN	O-RRF5	8/78	328	23.00	1.0	0.13	20.13	14.9	0.0	0.0
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	0.06	2.25	791.6	-33.2	0.1
SAN FRAN REI	A-SFIW	12/80	1348	25.00	1.0	0.63	15.38	66.6	-8.6	0.8
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.13	3.13	415.3	116.7	0.4
SUTRO MIT(B)	A-SUTW	6/82	700	20.00	1.0	1.25	10.13	109.8	54.3	0.9
UNITED RLTY	A-URTW	12/79	3610	20.00	1.0	0.13	10.25	96.4	-31.5	0.5

*DEBENTURES USABLE IN LIEU OF CASH

HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of relative efficiency of real estate investment trust managements with available funds. Readers should note that historical data are used and thus no earnings or dividend projections or estimates are included. Investors are advised to consider carefully the following distinctive characteristics of REITs compared with other industrial or financial securities:

Annualized Dividend and Yield: Most REITs do not pay a posted quarterly dividend rate but instead pay their approximate earnings (or net cash flow, if appropriate) for the quarter. They follow this practice because REITs are required to pay at least 90% of earnings to shareholders in order to qualify for exemption from Federal income taxes. This practice means that dividends paid by most REITs will vary much more from quarter to quarter than industrial securities. This possibility for quarterly variations gives REIT shares higher risk because earnings do not provide a safety margin of coverage for the dividend as they do for industrial stocks. The outlook and stability of dividends are thus key factors in our RELATIVE APPEAL RANKINGS. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusted for any capital gains or other special dividend payments. Special dividends, marked "S", are paid to maintain tax exemption but are not expected to be continued in subsequent quarters. Because of these possible variations, annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

Annualized Earnings and Price/Earnings Ratio: For mortgage trusts, latest quarter earnings are multiplied by four. Zeroes indicate losses or no earnings for the quarter indicated. Losses per share are shown in RELATIVE APPEAL RANKINGS. For equity trusts, annualized net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings as the best single measure of results. Net cash flow is defined as net income plus depreciation minus mortgage amortization. The symbol "#" indicates cash flow in the earnings column. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used, denoted by "*". Cash flow derived from amortization of debt discount is denoted by "@". The price/earnings ratio relates current price to the most appropriate earnings result. Both earnings (EPS) and net cash flow (CFS) per share for equity trusts for current periods are shown in RELATIVE APPEAL RANKINGS.

Shares: The number of shares outstanding, in thousands, is the number issued as of the latest balance sheet and is not adjusted for any potential conversion of debentures or exercise of warrants. Book value per share is essentially net tangible worth per share. The number does not reflect any changes in asset values through appreciation or abnormal depreciation of assets, nor any potential increase from possible conversion of debentures. Realized and estimated investment losses, as determined by management's provision for possible losses, are deducted from book value under AICPA rules. Audit also deducts intangible debt discount and expense costs from book value.

to \$14.6 million.

The actions appear to clear the way for C&SRI to make an offer, announced a year ago, to holders of its 6-3/4% subordinated debentures due Oct. 15, 1978.

The trust says it will offer either \$50 cash per \$100 principal amount, or \$15 cash plus \$85 of a new subordinated debenture due 1993 with 3% interest initially.

The cash offer is much improved, up from \$35. But with the debentures maturing in less than six months, trust must move fast. It seeks 75% approval.

Bay Colony Property is near formal offering of \$1,050 of a new 8 1/2% senior subordinated debenture plus 20 shares of beneficial interest for \$1,000 of existing 8 1/2% senior subordinated notes.

The 20 shares have \$72.50 market value. Bay Colony says it won't accept any notes unless 75% of old notes tender. We'll comment when offer becomes final.

EARNINGS TRENDS: QUALIFIED REALTY TRUSTS CONTINUE STRONG EARNINGS GAINS

For the second straight month, qualified realty trusts doubled their total latest reported earnings compared to the previous quarter.

Since these trusts must pay 90% of earnings as dividends, this spells continued dividend boosts.

Nonqualified trusts -- mainly those reporting losses -- narrowed their operating losses and picked up some strong special gains, mainly via swapping of assets to banks. Our survey of earnings results announced this past month (million dollars):

	<u>Latest qtr.</u>	<u>Prev.qtr.</u>	<u>Year-ago</u>	<u>Prev.qtr.</u>	<u>Yr.ago</u>
<u>Qualified REITs</u>					
Operating income (loss).....	\$ 4.6 M	\$ 2.1 M	(\$22.5) M	+123%	NC
Gains on asset sales, other..	0.8	3.4	2.2	-76	-64
NET INCOME (LOSS).....	5.4 M	5.5 M	(20.3) M	- 1%	NC
<u>Non-qualified business trusts:</u>					
Operating income (loss).....	(27.1)	(25.7)	(41.2)	+ 6	-34
Gains on asset sales, other..	15.6	6.9	13.2	+126	+18
NET INCOME (LOSS).....	(11.5)M	(18.8)M	(28.0)M	-39%	-59%

NC-Not calculated, loss in one quarter.

Some big institutional trusts turned weak on their most recent earnings reports plus fears that rising interest rates might pinch earnings. Equitable Life Mtg. continued weak in continued reaction to last month's dividend cut and Connecticut General Mtg. & Rlty. began slipping after reporting March quarter earnings off 3% from 1977 to 33¢/sh. But distributable funds, as calculated by the trust to include adjustments for depreciation and other non-cash charges, actually rose 3% to 48¢/sh. This means that the 40¢/sh. quarterly dividend appears well covered and cash flow provides funds for growth and a potential dividend uptick. At end of March, last in CGM's fiscal year, total nonearning investments had fallen to 2.9% of assets and 38% of assets are now in property and equity investments. But at end of March CGM took over full ownership of 500,000 sf Chlorox Building in downtown Oakland, CA and the 62%-leased building likely will drag earnings modestly for awhile.

MONEY Mortgage Investors meanwhile firmed on news that a North Carolina court had received a \$9.05 million bid over \$36 million mortgages for R.A. Properties, owner of about 3,600 apartments. MONEY expects a surge in May quarter earnings from \$2 million easy payments due it when the sale closes and will begin accruing interest on a restructured \$7.8 million second mortgage at 9%. The sale leaves MONEY with only one nonearning mortgage; it has Hyatt Regency Hotel in Phoenix via foreclosure. PNB Mtg. & Rlty. reported 20¢/sh. net for the March quarter, well ahead of 1977 but down 27% from the previous quarter. Part of that decline was attributed to severe winter

weather which boosted utility and snow removal costs at owned apartments. The trust made no additions to its loss reserve in the quarter and nonearning investments fell to 11.7% of assets.

Sutro Mtg. Inv. Trust likewise continued the pattern of making no new additions to its loss reserve in the March 1978 fiscal year, which closed with income of 20¢/sh. in the final quarter, far above comparisons for both previous and year-ago quarters.

New Earnings Reports

Trust-Period ended	Earn/Spcl. Item	Latest Q-EPs	Earnings/sh.	% Chng. From**
Quarterly results: Qualified trusts	Latest Q-EPs	Latest Q-EPs	Latest Q-EPs	Latest Q-EPs
Amer. Century Mtg. Mar... d184	\$40.07	\$40.13	\$40.18b	Better
BRT Realty.....Nov...d1,089	d0.78	d0.45	d0.22	Worse
Colwell Mtg. Tr. Dec...d2,616	d1.29	d0.66	d2.71	Worse
Conn. Gen. M&R...Mar...1,859	0.33	0.32	0.34	+ 3%
Fraser Mtg. Inv. Feb...270	0.26	0.25	0.24	+ 4
Hanover Sq. Rl...Feb...d 21/108T	d0.02/0.11T	0.37a	0.02a	Worse*
Heitman Mtg. Inv. Dec...d142	d0.04	d0.50	d0.61b	Better
Hotel Inv.....Feb...532	0.34	0.40	0.28	-15
ICM Realty.....Feb...466/ 98G	0.15/0.03G	0.37a	0.22a	-45*
Investors Rlty...Feb...121	0.08	0.51a	0.03a	Better*
Lomas & Net. Mtg. Mar...1,611	0.43	0.42	d3.77	+ 2
M&T Mtg. Inv.....Feb...388	0.26	0.28	0.26	- 7
Miller (Hen.S.)...Feb...96	0.17	0.04	0.02	+325
Mission Inv.Tr...Feb...271	0.15	d0.13	d0.16	Better
Mtg. Growth Inv. Feb...263	0.10	0.08	0.05	+13
North Amer. Ml...Dec...d1,100/532Z	d0.26/0.12Z	d0.35	d1.26	Better
NW Mut. Life Mtg. Mar...1,085	0.22	0.17	0.22	+29
Penn. REIT.....Feb...363	0.24	0.82a	0.20	-31
PNB Mtg. & Rl...Mar...394	0.16	0.22	0.13	-27
Prudent RE.....Feb...62	0.02	d0.41	d0.00	Better
Riviere REIT.....Dec...120	0.15	0.13	0.54a	+15
San Francisco RE. Mar...312	0.23	0.27	0.20	-15
Security Mtg.....Mar...d 43	d0.01	d0.02	d0.03	Better
Summit Props.....Jan...80/ 70G	d0.05/0.05G	d0.05a	d0.05a	Better
Sutro Mtg. Inv.....Feb...460	0.20	0.12	+0.00	+67
United Rlty.....Feb...706	0.20	0.20	0.18	UC
U.S. Bancorp R&H. Feb...91	0.11	d0.10a	d0.23	Better
Wells Fargo Ml...Mar...1,203	0.30	0.39	0.29	-23
Western Mtg.....Feb...15	0.01	0.09a	0.06a	-33*
Quarterly: Non-qualified business trusts:				
Amer. Fletcher...Jan...1,434/1,200I	1.06/0.89I	d0.69	d3.23	Better
Atlanta Nat. RE. Feb...d 57	d0.04	d0.12	d0.30	Better
Bay Colony Prop. Feb...205/453S	0.07/0.15S	d0.07	d0.42b	Better
Cameron-Brown Inc. Dec...d977	d0.48	d0.38	d0.62	Worse
Chase Man. Mtg...Feb...d6,654/912S	d1.36/0.19S	d1.69b	d1.34b	Better*
Citizens Mtg.....Dec...d2,029	d1.43	d0.67	d0.82	Worse
CleveTrust Rl...Mar...1,850/	0.73/	d0.01a	d0.14	Better
Fidelco Growth...Feb...1,196/1,573K-S	0.76/95cX, 5cS	d3.94	d1.52	Better
First Mtg. Inv...Jan...d4,888/9,535S	d0.58/1.12S	+0.34b	d1.42b	Worse*
Hamilton Inv. Tr. Dec...d740/855S	d0.35/0.41S	+0.20b	d0.33b	Worse
Kentucky Props...Nov...63/448S	0.06/0.41S	d0.26	d2.06	Better
Maryland Rlty...Feb...18/ 7N	0.02/0.01N	0.08b	0.03b	-50*
NW Financial Inv. Mar...116/ 41G	0.08/0.03G	d0.08	d0.11	Better
UMET Trust.....Feb...d1,057/603S	d0.50/0.29S	d2.00a	d0.31	Better
Annual results: All trusts:				
Amer. Fletcher...Jan...d1,397/1,200I	d1.03/0.89I	---	d6.44	---
BRT Realty.....Nov...d3,896	d2.78	---	d1.13	---
Cameron-Brown Inc. Dec...d3,186	d1.48	---	d3.19	---
Citizens Mtg. Tr. Dec...d5,495	d3.87	---	d4.18	---
Colwell Mtg. Tr. Dec...d5,067	d2.50	---	d4.74	---
Conn. Gen. M&R...Mar...8,580/900C	1.50/0.16G	---	1.27	---
First Mtg. Inv...Jan...d10,480/29,434S	1.23/3.46S	---	d2.17c	---
Hamilton Inv. Tr. Dec...d1,144/3,031S	d0.53/1.45S	---	d1.10c	---
Heitman Mtg. Inv. Dec...d2,165	d0.66	---	d0.54c	---
Kentucky Props...Nov...4597/448S	d0.54/0.41S	---	d3.46	---
Miller (Hen. S.) Feb...292	0.2	---	0.38	---
No. Amer. Mtg...Dec...d8,615/532Z	d1.97/0.12Z	---	d1.65	---
NW Financial Inv. Dec...d462	d0.31	---	d0.87	---
NW Mut. Life Mtg. Mar...4,350/721G	0.91/0.15G	---	0.90	---
Pitts. & W.Va. RR. Dec...1,232	0.82	---	1.00	---
Riviere Real Es. Dec...356	0.45	---	1.46c	---
Sutro Mtg. Inv...Mar...1,911/694G	0.82/0.30G	---	0.09c	---
Western Mtg. Inv. Feb...938/898G	0.93/0.89G	---	d0.09	---

UC=Unchanged. NM=Not meaningful. r=Restated. p=Preliminary. d=Deficit.

#—Special items shown in both thousand dollars and share amounts as: G=Gain on sale of assets; I=Interest forgiveness; L=Loss on sale of assets; N=Net operating loss (NOL) benefit; R=Recovery of past-due interest; S=Swap of assets with banks; T=Gain on market purchase of debt at discounts; X=Settlement with adviser or sponsor; Z=Gain on debt restructuring via exchange or tender offers.

** Comparisons are based upon earnings per share. Where loss is reported in one or both quarters, change in direction is shown as "Better" or "Worse."

* Compared before special items.

a—Gains or losses on asset sales in share results for previous and year-ago quarters are: Hanover Sq.: 11c gain on debenture repurchase in previous and 22c recovery of past-due interest in year-ago qtr.; ICM Realty, 15c and 11c gains on asset sales in previous and year-ago; Inv. Rlty., 90c and 3c sale gain in previous and year-ago; Penn. REIT, 47c gain in previous qtr.; Riviere, 35c in year-ago; Summit Prop., 29c and 7c in previous and year-ago; U.S. Bancorp Tr., 3c loss in previous qtr.; Western, 6c and 4c sale gains in previous and year-ago; CleveTrust, 16c gain in previous; UMET, 13c gain in previous.

b—Asset swap gains. Tax benefits from net operating losses (NOL), and gains from early retirement of debentures at discounts via tenders in previous and year-ago qtrs. are: Amer. Cent., 33c in year-ago qtr.; Heitman, 10c swap gain in year-ago qtr.; Bay Colony, 32c swap gain in year-ago; Chase, 3c and 28c swap gains in previous and year-ago; First Mtg., 57c and \$1.21 swap gains in previous and year-ago; Hamilton Inv., 57c and 26c swap gains in previous and year-ago; Maryland Rlty., 3c and 1c NOL benefits in previous and year-ago.

c—Special items per share in annual results for the previous year are:

First Mtg., \$3.51 swap gains; Hamilton Inv., 24c swap gains; Heitman Mtg., 35c swap gains; Riviere RE, 81c property gain; Sutro Mtg., 7c property sale gain.

Sutro thus joins many other stronger dividend paying trusts in saying, in effect, that their loss reserves are adequate in light of improving real estate conditions.

Among troubled trusts, American Fletcher Mtg. reported losing \$1.03/sh. in its Jan. 1978 fiscal year after reversing 89¢/sh. previously accrued interest expense. It cautioned investors not to assume that January quarter results constitute a trend. Colwell Mtg. reported losing \$2.50/sh. in 1977 and \$1.29/sh. in the Dec. quarter but likewise cautioned that results weren't comparable to 1976 because interest on bank debt had jumped from 2% to 8% in July 1977, costing an additional \$1.62/sh.; that legal costs of its negotiations for a Chapter XI plan cost an additional 36¢/sh. These extra costs were more than offset by a 90% reduction in the provision for losses from \$4.73/sh. to 36¢/sh. A U.S. District Court has confirmed its plan of arrangement with subordinated debt holders, previously approved by them (see RTR, Jan. 13 and 27), and the appeal period expired April 17; it now expects to complete its bank loan agreement by early May and will advise debenture holders of their next steps. The plan contemplates offering debenture holders 50% of par in cash plus voting preferred stock for the balance.

Security Mtg. narrowed its March quarter loss to 1¢/sh. and Bay Colony Property earned 7¢/sh. in the Feb. quarter after 15¢/sh. gains on asset exchanges with lenders. Mission Inv. Trust and Northwestern Financial both turned in profits, Mission by 15¢/sh. after settling a major foreclosure action that aided results by 28¢/sh. in interest recoveries and loss reserve credits. Northwestern was in the black by 8¢/sh. on results including 3¢/sh. from interest recoveries and sale of a foreclosed office building in Oregon. Trustees expect continuing profits for 1978.